

## REMARKS

The rejection of all claims as being anticipated by, or obvious from Wheeler et al. US 6789189 is respectfully traversed. Applicants' claimed invention is believed to be fundamentally different from Wheeler's. Among other things, Wheeler contemplates a system 300 [Fig 3] in which a single electronic device 350 is used not only to conduct secure communications 305, 309 between a user 302 and the ABDS database 310, but also to retain account identification information for multiple accounts held at multiple institutions 312, and to retain user identification information for verifying the identity of the card user 302. In effect, Wheeler's card 350 has become a new type of financial instrument that not only identifies an account at a particular institution but also identifies the authorized holder of that instrument.

In contrast, as now explicitly claimed, Applicant contemplates that each user will have at least two physically separate machine readable cards or other instruments, one of which is used to identify the account, and the other being used to identify the person attempting to access the account. Since two separate devices are involved, loss, theft or material alteration of one will not be sufficient to effect fraudulent transfers. In particular, a con artist will not be able to use a counterfeit payment instrument (e.g., a counterfeit check, credit card, debit card) unless he also has access to the account holder's identification document (i.e., a driver license, passport, etc.). However, since government issued identification cards are typically used for a variety of purposes, any lost, stolen or altered official identification documents will be promptly detected. Moreover, especially after the 9/11 tragedy, the government itself can be expected to take special precautions against fraudulent alterations or duplications to the government issued identification cards. Thus, the present invention provides a much higher protection against identity theft than is possible with prior art solutions such as Wheeler's.

Finally, it should be noted that at least in its broader aspects, the present invention is useable with conventional financial instruments such as paper checks which have been imprinted with bank routing and account numbers that can be read optically or magnetically, as well as more sophisticated financial instruments such as credit

cards, debit cards, and smart cards. Indeed Wheeler's electronic device 350 can be considered as just another type of payment card, which is still susceptible to possible alteration and counterfeiting, with the same attendant risk of identity theft., as a conventional smart card.

In view of the foregoing amendments and these remarks, this application is believed to be in condition for allowance, and Applicant therefore respectfully requests the issuance of a Notice of Allowance with respect thereto. If the Examiner concludes otherwise, he is respectfully requested to contact the undersigned by telephone, in order to facilitate the prompt resolution of any remaining issues.

The Commissioner is hereby authorized to charge any deficiency in the fees filed, asserted to be filed or which should have been filed herewith (or with any paper hereafter filed in this application by this firm) to our Deposit Account No. 50-0337, under Order No. 7443-101XX/10310540.

Date:

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Respectfully submitted,

  
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